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CLERK  
U.S. BANKRUPTCY CT.  
GREENEVILLE, TN

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TENNESSEE**

IN RE:

APPALACHIAN OIL COMPANY, INC.

Debtor

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\*  
\*  
\*  
\*

Case No. 09-50259

Chapter 11

**COMMONWEALTH OF VIRGINIA, DEPARTMENT OF TAXATION'S**  
**OBJECTION TO CONFIRMATION**

COMES NOW, the Commonwealth of Virginia, Department of Taxation ("the Department"), by Counsel, pursuant to Bankruptcy Code Section 1128(b) and for its Objection to Confirmation states:

1. The Debtor filed a bankruptcy petition seeking relief under the Code on or about February 9, 2009.
2. The Department timely filed a Proof of Claim in this matter in the amount of \$58,464.50 for sales and use taxes due for the reporting periods preceding the date of the order for relief.
3. The Plan does not provide for full payment of the Department's claim through regular payments within 5 years of the date of the order for relief as required by 11 U.S.C. § 1129(a)(9)(C). Also the plan should specify that payment to the Department of Taxation should be sent c/o the undersigned counsel for the Virginia Department of Taxation at the address listed at the end of this pleading.

Mark K. Ames, VSB 27409  
Taxing Authority Consulting Services, P.C.  
P.O. Box 71476  
Richmond, Virginia 23255  
(804) 649-2445

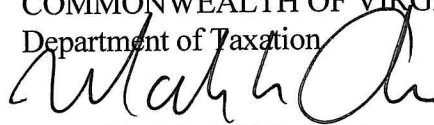
4. The Plan does not provide for payment of interest on this priority claim so that the Department will receive a value, as of the effective date of the plan, of the allowed amount of its claim as required by 11 U.S.C § 1129(a)(9)(C). The statutory rate established by Code of Virginia §58.1-15 is 2% above the IRS rate established in §6621 of the Internal Revenue Code and is currently 6%.

WHEREFORE, the Virginia Department of Taxation prays that the Plan proposed in this case not be confirmed, unless and until the debtor addresses the objections as raised above, and for such other and further relief, which may be deemed appropriate.

Respectfully Submitted,

COMMONWEALTH OF VIRGINIA  
Department of Taxation

By:



Mark K. Ames, VSB 27409  
Taxing Authority Consulting Services, P.C.  
P.O. Box 71476  
Richmond, Virginia 23255  
(804) 649-2445  
mark@taxva.com

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Objection to Confirmation was sent this 12th day of March 2010 to the counsel for the debtor and the U.S. Trustee via First Class Mail at the following addresses.

Mark S. Dessauer, Esq.  
Hunter, Smith & Davis, LLP  
P.O. Box 3740  
Kingsport, TN 37664

Patricia Foster, Esq.  
Attorney for the U.S. Trustee  
800 Market Street, Suite 114  
Knoxville, TN 37902



Mark K. Ames



Taxing Authority Consulting Services, P.C.  
Attorneys At Law

March 12, 2010

Clerk's Office  
United States Bankruptcy Court  
220 West Depot Street  
Greeneville, TN 37743

RE: Appalachian Oil Company, Inc.  
Case No.09-50259

Dear Sir or Madam:

Enclosed please find an Objection to Confirmation that we ask you to file on behalf of the Commonwealth of Virginia, Department of Taxation.

Thanking you for your attention to the above, I am

Very truly yours,

A handwritten signature in black ink, appearing to read "Mark K. Ames", is written over the typed name.

Mark K. Ames, Esq.

cc: Mark S. Dessauer, Esq.  
Patricia Foster, Esq.